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THE AGRICULTURAL SITUATION

JUNE 1946

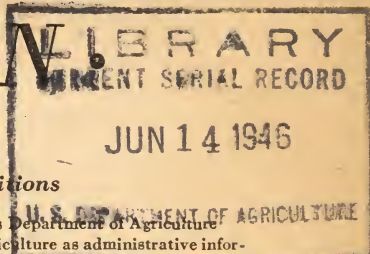
A Brief Summary of Economic Conditions

Issued Monthly by the Bureau of Agricultural Economics, United States Department of Agriculture

The matter contained herein is published by direction of the Secretary of Agriculture as administrative information required for proper transaction of the public business and approved by the Director of the Budget.

Subscription price, 50 cents per year; single copy, 5 cents; foreign price, 70 cents; payable in cash or money order to the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

VOLUME 30 - NUMBER 6 - WASHINGTON, D. C.



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Commodity Reviews

THIS year's harvest in Europe and Asia plus all possible imports will hardly more than provide a breathing spell from famine next winter. Severe food shortages will continue in those continents well into 1947 and possibly longer.

The Food and Agriculture Organization reports that food production in continental Europe and the Far East this season will still be far below pre-war levels and only a trifle better than last year's relatively small output. Thus if vast numbers of people are to reach even a bare subsistence level of nutrition, roughly 1,900 to 2,200 calories per person per day, substantial imports from surplus producing countries will have to continue for many months. In many countries, if im-

ports do not continue at high levels there is danger of prolonged, serious malnutrition resulting in permanent physical and mental deformation, and civil unrest.

One of the most urgent import needs of food-deficit countries continues to be wheat—the 1946-47 import needs now estimated by FAO are 30 million tons, but exports from the four principal wheat exporting countries in the coming season are not likely to exceed 20 million tons. Furthermore, the deficit between import needs and export supplies is even greater for all foods together than for wheat alone.

Because of these critical export requirements which will come almost wholly from commercial production and supplies, the people of the United

States are being urged to continue throughout the summer and fall with their Victory Gardens by planting later crops, controlling weeds and pests, watering when necessary, and doing everything possible to assure full production. Canning and other ways of preserving food at home and in community centers will be stressed as a means of adding to the food stockpile against the coming winter.

Urgent world need for every bit of food that can be spared together with strong buying power in the United States and the law guaranteeing at least 90 percent of parity for most farm products through 1948, assures farmers of fairly good prices for their products. Moreover, in spite of relief exports Americans themselves are getting more to eat this year than ever before—an average of 14 percent more per person than in 1935-39. And the available supply of all major nutrients for United States civilians will be considerably more than the 1935-39 average. For the year as a whole, the per capita calorie supply will be 3,300 calories per day, 10 percent above any other country except Canada.

NOTE.—In late May representatives of FAO, UNRRA, the Combined Food Board and the President's Famine Emergency Committee began discussions in Washington on more effective ways to cope with the critical world food shortage.—*Editor.*

WHEAT

WHEAT farmers may still produce a billion bushels of wheat this year if the spring crop is average, despite the May 1 downturn of 88 million bushels in the winter crop. Farmers can look for prices at about present levels for all the wheat they market because: (1) the wheat price ceiling has been increased 15 cents a bushel, (2) the July 1 carry-over will be one of the lowest in a decade, (3) Government wheat purchases under the 25 percent set-aside will be at ceiling levels, and (4) one of the biggest export demands in history for every bushel that can be

spared will continue for many months to come even though wheat production in most countries is larger than last year.

With harvesting now expected to be two weeks earlier than usual throughout most of the wheat belt and not likely to be spread out for a longer than normal period, combines will be none too numerous. Sharing equipment will help meet the critical need to harvest every bushel possible. Continuation of the reciprocal agreement with Canada for transit crews and machinery should ease the situation to some extent.

However, the early harvest will give wheat farmers more time to prepare their land for another large winter wheat acreage. Though the 1946-47 winter-wheat goal will not be announced till after July 1, world hunger for wheat during the next year or so points to the need for another very large acreage.

LIVESTOCK

ALL livestock producers who buy most of their feed will see an 8 to 35 percent increase in feed costs beginning in mid-May, a result of the recent price ceiling increases in feed grains and byproduct feeds.

Cattle feeders, faced with unfavorable livestock-feed price relationships, are apt to reduce the number grain-fed for market late this summer and fall. But a heavy movement of grass-fat cattle is expected in the months ahead. Total beef and veal production for 1946 is now expected to be slightly under the record 11.8-billion-pound output of 1945.

Like cattle feeders, hog farmers are faced with unfavorable hog-feed price relationships and will market their hogs at lighter weights this summer than they did a year ago. Many producers will probably reduce the size of their fall pig crops and possibly their crops of next spring. For 1946 as a whole though, there will probably

be 10 percent more hogs slaughtered than in 1945. Farmers are now marketing their 1945 fall pigs some 12 percent more than a year earlier, and will market their spring pigs earlier than they did last fall and winter, with an unusually large proportion going to market before the end of 1946. Thus total pork production for this year may be slightly larger than the 10-billion-pound output of 1945.

Because sheep numbers continue to decline forcing sheep ranchers and feeders to operate well below 1945 levels, lamb production this year will be substantially less than the 1945 output.

Total meat production for 1946 is now forecast to be close to the near-record output of 22.9 billion pounds for 1945, not much below the all-time record of 24.6 billion pounds in 1944 and about 40 percent more than the 16.2 billion pound average for 1935-39.

Continuing high consumer incomes and prospective large meat exports mean that livestock producers can expect a strong demand for meat at good prices for the balance of 1946 and early 1947. Civilian per capita meat supplies during the first 5 months of 1946 were the highest for those months thus far during the war period. United States exports of meat for 1946 probably will exceed the 1.2 billion pounds shipped last year.

Three-fourths of the 1945 corn crop came from only two-thirds of the acreage planted to corn—the reason, this acreage was in hybrid seed. Though the saturation point is nearly reached in the Corn Belt, further acreage expansion in hybrid corn is opportune in other regions, particularly the South.

Prices of Farm Products

[Estimates of average prices received by farmers at local farm markets based on reports to the Bureau of Agricultural Economics. Average of reports covering the United States weighted according to relative importance of district and State]

Commodity	5-year average		May 15, 1945	Apr. 15, 1946	May 15, 1946	Parity price May 15, 1946
	August 1909-July 1914	January 1935-December 1939				
Wheat (bushel).....dollars..	0.884	0.837	1.49	1.58	¹ 1.70	1.63
Rice (bushel).....do.....	.813	.742	² 1.80	1.89	1.87	1.50
Corn (bushel).....do.....	.642	.691	1.08	1.16	1.35	1.18
Oats (bushel).....do.....	.399	.340	.689	.761	.795	.734
Hay (ton).....do.....	11.87	8.87				
Cotton (pound).....cents..	12.4	10.34	20.51	23.59	24.09	22.82
Soybeans (bushel).....dollars..	³ .96	.954	2.15	2.14	2.16	⁴ 1.77
Peanuts (pound).....cents..	4.8	3.55	8.30	8.69	8.90	8.83
Potatoes (bushel).....dollars..	.697	.717	² 1.78	1.62	1.57	1.34
Apples (bushel).....do.....	.96	.90	2.55	3.81	3.84	1.77
Oranges on tree, per box.....do.....	⁵ 1.81	1.11	2.84	2.49	3.14	⁴ 2.17
Hogs (hundredweight).....do.....	7.27	8.33	14.10	14.20	14.30	13.40
Beef cattle (hundredweight).....do.....	5.42	6.56	² 13.40	13.70	13.80	9.97
Veal calves (hundredweight).....do.....	6.75	7.80	² 13.80	14.30	14.40	12.40
Lambs (hundredweight).....do.....	5.88	7.79	² 13.60	14.00	14.10	10.80
Butterfat (pound) ⁶cents..	26.3	29.1	50.2	51.1	51.0	⁷ 48.4
Milk, wholesale (100-pound) ⁶dollars..	1.60	1.81	3.08	² 3.25	⁸ 3.21	⁷ 2.94
Chickens (pound).....cents..	11.4	14.9	26.6	24.3	25.3	21.0
Eggs (dozen).....do.....	21.5	21.7	33.7	31.3	32.8	⁷ 45.8
Wool (pound).....do.....	18.3	23.8	² 41.6	41.4	41.8	33.7

¹ 30 cents a bushel bonus, under Government purchase program, not included.

² Revised.

³ Comparable base price, August 1909-July 1914.

⁴ Comparable price computed under section 3 (b) Price Control Act.

⁵ Comparable base price, August 1919-July 1929.

⁶ Does not include dairy production payments made directly to farmers by county AAA offices.

⁷ Adjusted for seasonality.

⁸ Preliminary.

DAIRY PRODUCTS

DAIRY farmers can look for larger cash returns per unit of product sold during the second half of 1946 than have prevailed during the previous 12 months, according to a recent announcement of the Office of Economic Stabilization. This increase is to be achieved through higher retail ceiling prices.

Present proposals look to a 40-cent increase per 100 pounds over the second half of 1945 in the unit returns for whole milk, and about 11 cents a pound increase in returns for butterfat. These increases are equivalent to a 10 percent rise for whole milk, and 15 percent rise for butterfat, and place milk producers in a more favorable relationship to producers of other livestock and livestock products.

Recent advances in ceiling prices for feed will result in 15 to 25 percent higher feed costs to dairy farmers during the second half of 1946 as compared to a year earlier. And though increases in feed costs are a little greater than prospective increases in unit returns, dairymen can find several favorable elements in the outlook: (1) other production costs are not likely to advance as much as feed costs, (2) price increases comparable to prospective increases in unit returns for dairy products have not been announced for other livestock products, so dairy farmers will be in an improved competitive position in obtaining feed, labor, and other supplies, (3) dairymen with permanent and relatively high paying jobs to fill can expect to benefit from the gradual improvement in the quantity and quality of the farm labor supply, (4) further upward adjustments probably will be provided in unit returns to dairy farmers to take into account any reduction in production payments.

Total demand for milk continues to be very strong. Milk producers, in keeping milk production at record levels, are holding supplies of fluid

milk and cream in fairly good balance with demand, but manufactured dairy supplies, particularly butter, still are far short of demand.

POULTRY AND EGGS

POULTRY producers will find their operations less profitable than a year earlier during the balance of 1946. Recent increases in ceiling prices for corn, wheat, and mixed feeds will raise feed costs about 20 percent higher than in 1945. These increases are likely to result in a sharp reduction in commercial broiler and turkey production.

Prices received by farmers for eggs are expected to be moderately below last year, but chicken and turkey prices should average close to last year's level.

At least as many eggs per person as the record number in the second half of 1945 will be available during the balance of 1946. Per capita chicken meat supplies will be a trifle less than last year while turkey supplies will probably be a trifle more. Though chicken and turkey meat production will be substantially smaller than in 1945, the record stock carry-over together with reduced military procurement leaves total supplies not much different from 1945.

Turkey producers should have no difficulty in marketing at good prices the 15-percent smaller crop than last year. But there will probably be a return to prewar price differentials between heavy- and light-weight birds. Thus, prices for heavy birds will probably be a trifle below those in 1945.

FRUIT

FRUIT growers and other farmers this season probably will produce a larger crop of deciduous fruits than last year's small one. Except in scattered localities, fruit trees and vines escaped serious winter and spring injury. Hence, crops of average or

VEGETABLES

larger size appear probable. This will be most noticeable in the northeastern and north central States, where short crops of apples, pears, peaches, sour cherries and grapes were harvested last year.

Conditions now are favorable for a near-average crop of apples. The peach crop in the 10 early Southern States, which is marketed in May, June, and July, will be nearly as large as the 27 million-bushel crop last year and over 1½ times average production. The California apricot crop, much of which is canned, is expected to be nearly twice the short 1945 crop of 159,000 tons.

The California plum crop is indicated to be considerably larger than the good crop last year, but the sweet cherry crop of that State may be moderately smaller than the very large 1945 crop.

The final output of fruit this year will be conditioned not only by weather and the bearing surface of trees and vines but also by labor, materials, and facilities for growing and harvesting the crops. In general, production of the 1946 fruit crops is expected to involve less difficulty than last year. More labor is expected to be available, more tires for truck hauling, but stringent container problem will continue. Sufficient tinplate for canning, especially from midsummer on, is not yet assured. Fruit that otherwise would be canned may seek fresh market outlets, and in such case it would tend to aggravate container and transportation problems.

If the deciduous fruit crops materialize in accordance with present prospects, supplies of fresh fruit will be moderately larger this season than last. Furthermore, sufficient fruit will be available for a canned pack about as large as last season.

Prices are expected to continue near the high wartime levels of the past few seasons, though exceptionally large crops may not bring quite as high prices as last season.

IF commercial production of truck crops for fresh market this summer proves to be in line with the large increases in acreage indicated in May, prices received by growers for most vegetables will be materially lower than last summer despite high consumer purchasing power. While some fears have been expressed in trade circles as to the possible effects of strikes on the ability of shippers to move fresh vegetables by rail, it seems probable that no widespread or continuing difficulty will develop in this respect this summer. Fresh vegetables are included in the classification of perishable foods which have been given very high priority among commodities using rail facilities hampered by the coal shortage.

Some canning plants might be forced to close or curtail their normal season of operation if coal supplies become sufficiently short, or poorly distributed. Any such shut-downs would naturally depress prices to vegetable growers during the period in which the processing outlet was withdrawn, but might add somewhat to the demand for fresh vegetables later on when the canned product normally would have appeared on retailers' shelves.

The Government support program for potatoes probably again will be actively used this summer in helping growers dispose of the early crop. Record-high supplies of early commercial crop potatoes are seeking a market, and because of their perishability, must move rapidly. With purchasing power at high levels, and with the restricted civilian supply of cereal products available, it may be that consumption of potatoes can be stepped up enough to avoid any large loss of this early crop as human food. Both Government and private trade interests are giving potatoes considerable publicity as a substitute for scarce foods.

CASH RECEIPTS

RECENT revisions now place cash receipts from farm marketings in 1945 at 20.8 billion dollars, 3 percent above the 20.2 billion dollars in cash receipts for 1944.

Total cash receipts from crops in the two years were very nearly the same. In 1945 income from tobacco, sugar crops, and feed crops made significant gains over 1944, but receipts from cotton and cottonseed dropped sharply. Sales of tobacco in 1945 were one-third larger and prices were about 4 percent higher than the year before. Last year production and prices of most sugar crops increased over 1944. Sugarcane cash receipts showed a gain of 41 percent. The increase of 31 percent in sales of corn and the gain of 35 percent in marketings of oats in 1945 compared with 1944 accounted for most of the increase of 15 percent in cash receipts from feed crops. Sales of cotton in 1945 dropped 36 percent and, although average prices rose 11 percent, cash receipts from cotton declined 29 percent.

Income from livestock and products in 1945 showed a gain of 5 percent over 1944, due largely to an increase of 13 percent in cash receipts from poultry and eggs. The average of prices for

Cash Receipts from Farm Marketings of Crops and Livestock, 1944 and 1945

Commodity group	1944	1945	1945 as percent of 1943
	<i>Mil. dol.</i>	<i>Mil. dol.</i>	<i>Percent</i>
Food grains.....	1,328	1,313	99
Feed crops.....	1,194	1,370	115
Cotton and cottonseed.....	1,497	1,034	69
Oil-bearing crops.....	591	579	98
Tobacco.....	689	954	138
Fruits and nuts.....	1,501	1,449	97
Vegetables.....	1,567	1,642	105
Sugar crops.....	133	168	126
Other.....	539	547	101
Total crops.....	9,039	9,056	100
Meat animals.....	5,720	5,826	102
Dairy products.....	2,949	3,070	104
Poultry and eggs.....	2,306	2,597	113
Other livestock.....	224	232	104
Total livestock.....	11,199	11,725	105
Total cash receipts.....	20,238	20,781	103
Government payments.....	804	771	96
Cash receipts and Government payments.....	21,042	21,551	102

eggs rose 16 percent in 1945 and, despite a decline of 6 percent in the quantity sold, cash receipts increased 9 percent. Sales of chickens in 1945 were about the same as the year before, but prices were up 8 percent and income rose 7 percent. Production of broilers increased one-third, and prices gained 3 percent, resulting in a rise of 37 percent in income. Marketings of turkeys showed an increase of 23 percent in 1945 over 1944, and prices were about the same, resulting in a gain of 22 percent in cash income.

Government payments amounted to 771 million dollars in 1945, about 4 percent less than the estimate of 804 million dollars in 1944. Payments on the Production Program in 1945 were 23 percent above a year earlier, but Agricultural Conservation payments were reduced 28 percent, and Sugar Act payments declined 11 percent.

Cash receipts and Government payments combined in 1945 were 21.6 billion dollars, 2 percent above the 1944 total of 21.0 billion dollars.

TOBACCO

TOBACCO farmers face a variety of supply and price problems during the 1946 season.

In the flue-cured area, for instance, farmers have experienced high prices and, in response to both the favorable prices and an increase in acreage allotments, plan a substantial increase in their 1946 acreage. Prospects are that the foreign market will take part of the increased production and, while prices for the 1946 crop may be lower than for the previous crop, the volume of production should keep cash receipts to these farmers at a high level.

In the burley area farmers experienced a sharp drop in prices last season and as a result are planning a smaller acreage for 1946. Despite the cut in acreage, assuming average yields, the supply of burley in the 1946 crop year will be the largest in history. Attempts are being made to develop a foreign market for this type of tobacco,

but unless these efforts are particularly successful burley growers can anticipate 1946 prices at or below the 1945 season level. The large volume of production, however, can be expected to maintain cash receipts higher than in most previous years despite moderate changes in prices.

In Maryland, producers of type 32 tobacco are marketing their 1945 crop at favorable prices and are expanding their acreage for 1946. It appears that they will be able to market the much larger prospective 1946 crop at relatively high prices.

In the dark tobacco producing areas farmers experienced a considerable increase in prices during the 1945 crop marketing season. The increase was larger in the case of fire-cured tobaccos and farmers now intend to expand the fire-cured acreage considerably while reducing the acreage of air-cured tobacco. As the shortage of exchange in foreign countries places emphasis on the lower-priced American tobaccos, dark tobacco growers can anticipate a strong foreign demand and favorable prices for their 1946 crop.

Farmers who grow cigar filler and binder tobaccos are planning a substantial increase in acreage this year as a result of the high prices received for the 1945 crop. It now appears that they will be able to market this crop at favorable prices. In Florida and Connecticut, producers of cigar-wrapper leaf have been receiving exceptionally high prices and are increasing their acreage somewhat. The strong domestic demand for high-quality cigars should continue—wrapper leaf producers will continue to enjoy favorable prices while marketing their 1946 crop.

WOOL

WOOL growers are assured prices about equal to those of last year for the new clip now being shorn, as the 1945 Government purchase program has been extended to November 1, 1946. Prices to growers in 1945

averaged about 42 cents a pound, grease basis.

Since November 27, 1945, under a policy designed to permit sales of domestic wool at prices more or less in line with comparable foreign wool, the Commodity Credit Corporation has been making domestic wool available to mills at prices more nearly in line with those for foreign wool but much below the purchase price. Prices of foreign wools are largely determined by the British Joint Organization, which controls most exportable supplies of apparel wool. Auctions of British Empire wools probably will be resumed in the new season which begins in July in British countries. The BJO has announced that it will regulate offerings and will be prepared to buy British Dominion wool at a "stabilization price" if it is not sold to commercial interests at this price or higher.

The consumption of apparel wool in the United States in 1946 is expected to be close to the wartime average of 1 billion pounds, grease basis, and larger than in any peacetime year. The demand for clothing, particularly men's wear, continues to exceed supply. Production of men's wear fabrics in the first quarter of 1946 was only a sixth higher than the 1939 rate of production, while production of women's wear fabrics was twice as high.

Stocks of apparel wool in the United States have increased about 25 percent during the past year. Most of the increase has been in domestic wool held by the CCC. Because of the small consumption of domestic wool a considerable part of the 1945 domestic production went into Government stocks. The 1946 clip is now arriving in volume for appraisal and purchase, and Government stocks will increase rapidly unless sales to mills are greatly increased. March CCC sales at an annual rate were equivalent to little more than half of expected 1946 domestic production.

Nine-Fold Increase in Broiler Output

PRODUCTION of commercial broilers was at a new high in 1945 and had increased ninefold since 1934. This increase, which began in response to peacetime needs and continued throughout the war, represents one of the most outstanding gains percentagewise in the Nation's production of any food item during the period.

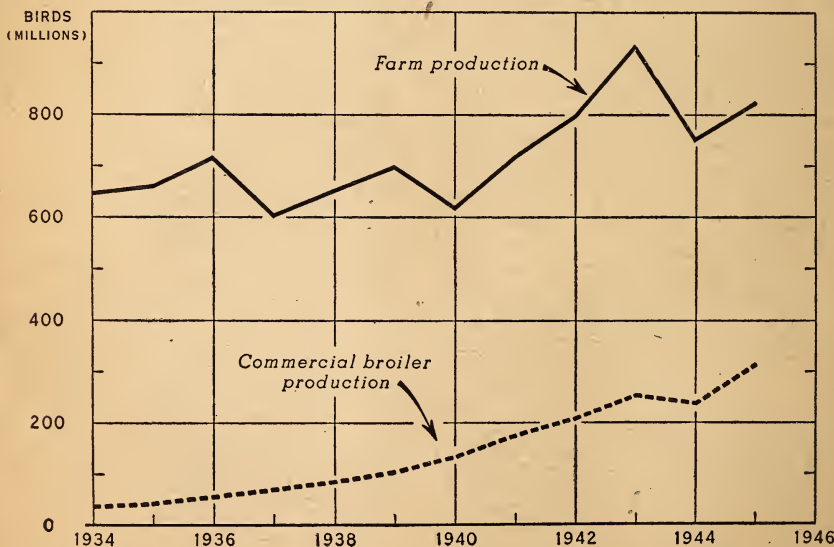
Commercial production last year totaled 312,000,000 broilers, compared to only 34,030,000 in 1934. This is the first year for which reliable nationwide statistics are available. Though this was a severe drought year, such information as is available indicates that commercial broiler production was even smaller in earlier years. As the average broiler weighs 2½ to 3 pounds, the increased production has meant a substantial gain in the country's meat supply, especially during the war years.

Although a considerable decline in production is expected this year,

principally because of the critical feed situation, prospects point to continued large commercial broiler production in the years ahead. This prospect is based not only upon the outlook for large consumer demand for poultry meat, but also on basic conditions within the poultry industry itself.

The commercial broiler industry originated about 20 years ago on the Delaware - Maryland - Virginia peninsula, to meet a demand in the principal eastern markets for more chicken meat. In those days, flocks were kept principally for egg production, with the result that the demand for eggs was the primary factor determining the size of poultry flocks. Poultry producers had to face the fact that, if laying flocks were expanded sufficiently, to take care of the market for meat, they would produce too many eggs. The increasing rate of egg production per layer intensified this problem, as the rate mounted from 89 eggs per

CHICKENS: FARM PRODUCTION AND COMMERCIAL BROILER PRODUCTION, 1934-45



layer in 1934 to 118 eggs per layer in 1945, thus reducing the number of layers required for a given amount of egg production. The commercial broiler industry has grown to meet the increasing demand for chicken meat by raising heavy breed chickens strictly for meat purposes. Broiler producers sell both pullets and cockerels but keep no pullets for laying.

Commercial broilers are produced in volume in all but 12 States, ranging from a few thousand to millions of birds per State each year. Expansion has been most rapid in the South Atlantic States, but there have been large increases elsewhere, notably in California, Texas, and Alabama. Illinois and Indiana have important broiler producing areas as do the New England and North Atlantic States.

In many production areas the raising of commercial broilers has grown from a small enterprise carried on as a side line to supplement the regular farm income, and has developed into a highly specialized industry involving large amounts of capital so that it has become the sole source of income for thousands of producers.

Producing commercial broilers on a year-round basis has been mainly responsible for the spectacular seasonal change in the hatchery business. Today 20 percent of the hatchery output is in the last 6 months of the year, compared to only 5 percent in the early 1930's.

More than half of the commercial broilers produced in 1945 were grown in the South Atlantic States, principally in Delaware, Maryland, Virginia, West Virginia, North Carolina, and Georgia. Production is concentrated in small areas in a few counties of these States. In Delaware, where production is largely concentrated in Sussex County, 73,000,000 broilers were produced in 1945. In Maryland, commercial broiler production comes largely from 5 counties, in Virginia from 5 counties, in West Virginia from 4 counties, in North Carolina from 10

counties, and in Georgia from 8 counties. In Arkansas, where 15,750,000 broilers were produced in 1945, most of the production comes from 2 counties.

Significant economic changes have taken place in the relatively small production areas as a result of the creation of this new source of income. Many producers have been able to clear the indebtedness on their farms and add improvements. Aside from the income producers are receiving, allied industries such as hatchery production, feed mixing and dressing plants, have paralleled the growth of the industry and have created many new jobs and brought additional income to the community. In the newer commercial areas in the Cotton Belt, broiler production has brought steadier and larger incomes compared, for example, to the precarious seasonal cotton income.

The hatchery industry in the South Atlantic States produced 262,134,000 chicks in 1945, compared with 34,943,000 in 1934. Each month, millions of commercial chicks are placed on farms and thousands of carloads of commercial feed are shipped in to feed them. Large plants have been built to assemble, process, grade, pack and ship the birds to market. These plants and service industries keep the marketing running smoothly and furnish employment to hundreds of people.

The production of commercial broilers has added the equivalent of about 40 percent of farm poultry sales to the national supply of poultry meat. It has smoothed out the peaks and valleys in the production of poultry meat, thereby satisfying the demand for poultry throughout the year. Much time and effort is now being spent directly and indirectly by the industry for research on breeding, scientific feeding and care of chicks, in order to improve its competitive position with other foods.

ROBERT F. MOORE
Bureau of Agricultural Economics

How the Hay Crop is Harvested

THE prospect of tight feed supplies for some time to come focuses more than usual attention on this season's hay crop. Because of this as well as the fact that 3½ million of the 6 million farmers in the country produce hay there is considerable interest in the methods used in harvesting hay.

A study of the 1944 hay crop, incidentally the country's second leading crop that year, indicate present day harvesting methods compared to pre-war practices, as revealed by a study of the 1939 hay crop. Although hay harvesting is still done in variety of ways the war years saw considerable advance in the use of power harvesting machines and other mechanical devices. Wartime labor shortages stimulated the increased use of machine methods as did the large crops during the war. The 1944 crop, exclusive of

peanut hay, was nearly 96½ million tons, about 10 million tons more than the 1934-43 average.

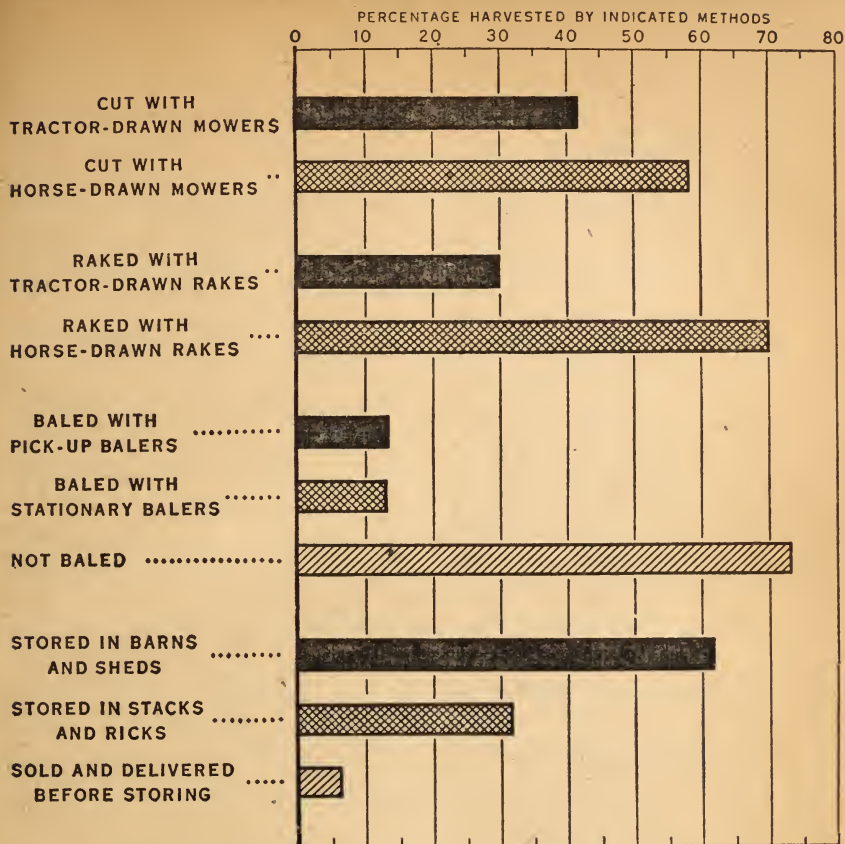
In 1944 farmers had available more power harvest equipment for haying than in any previous year. At the same time they got more work out of their machines by using them longer hours and operating them at a greater rate of travel than in prewar years. In that year there were about 400,000 more tractors on farms than in 1939 and most of the increase was in the type equipped with rubber tires. The wider use of rubber tires has made it possible to speed up the rate of doing many kinds of farm work, particularly the relatively light duty jobs such as haymaking. Along with the increase in tractor numbers was an even greater relative increase from 1939 to 1944 in the number of tractor-mounted mowers, windrow pick-up balers, tractor and auto buck rakes, and many other types of power harvesting machines.

NOTE.—This summary is based on the recent BAE report *Harvesting the Hay Crop*, prepared by the authors.—Editor.

Percentage of 1944 hay crop handled by specified methods

State group	Cut with—		Raked with—		Amount of 1944 hay crop fed or sold		Hay hauled at haying time with—		Stored at haying time—		Sold and delivered before storing
	Tractor mowers	Horse mowers	Tractor rake	Horse rake	Baled	Loose	Teams	Tractor or motor vehicles	In barns	In stacks	
Northeast: New Eng., N. Y., N. J., Pa., Del., Md.	Pct. 36.0	Pct. 64.0	Pct. 30.0	Pct. 70.0	Pct. 16.7	Pct. 83.3	Pct. 54.8	Pct. 45.2	Pct. 91.0	Pct. 6.1	Pct. 2.9
Corn Belt: Ohio, Ind., Ill., Iowa, Mo.	42.0	58.0	35.0	65.0	37.0	63.0	53.0	47.0	79.0	15.7	5.3
Lake States: Mich., Wis., Minn.	30.0	70.0	26.0	74.0	13.3	86.7	59.9	40.1	79.2	19.1	1.7
Great Plains: N. Dak., S. D., Nebr., Kans.	50.0	50.0	25.0	75.0	15.0	85.0	51.4	48.6	28.0	67.8	4.2
Appalachian: W. Va., Ky., Tenn.	14.0	86.0	7.0	93.0	35.6	64.4	86.5	13.5	67.8	28.7	3.5
Southeast: Va., N. C., S. C., Ga., Fla., Ala.	19.0	81.0	8.0	92.0	32.4	67.6	83.3	16.7	67.6	29.1	3.3
Delta States: Miss., Ark., La.	21.0	79.0	11.0	89.0	46.5	53.5	78.9	21.1	79.6	15.0	5.4
Oklahoma-Texas	68.0	32.0	51.0	49.0	68.0	32.0	34.3	65.7	54.0	28.9	17.1
Mountain: Mont., Idaho, Wyo., Colo., Utah, Nev.- N. Mex., Ariz.	54.0	46.0	29.0	71.0	19.6	80.4	55.0	45.0	14.9	77.1	8.0
Pacific Coast: Wash., Oreg., Calif.	66.0	34.0	51.0	49.0	44.8	55.2	32.0	68.0	57.4	19.9	22.7
United States	42.0	58.0	30.0	70.0	26.9	73.1	55.0	45.0	61.8	31.7	6.5

HAY HARVESTING METHODS, UNITED STATES, 1944 CROP



U. S. DEPARTMENT OF AGRICULTURE

NEG. 45857 BUREAU OF AGRICULTURAL ECONOMICS

Crop correspondents reports show that 42 percent of the 1944 hay crop was cut with tractor mowers compared to only 15 percent in 1939. Use of tractor mowers was especially important on the Pacific Coast, in Oklahoma and Texas and in some Mountain States where more than half the crop was so cut. In certain smaller areas more than three-fourths of the crop was cut with tractor mowers. In the South and the Lake States horse-drawn mowers still cut most of the hay. But the widespread use of tractor mowers in 1944 speeded up haymaking to the extent of a saving of about 40 million hours of labor which would

have been required with horse-drawn mowers.

Partly because hay raking is lighter work than cutting, animal power is still largely used for raking. Dump and side-delivery rakes drawn by teams accounted for about 70 percent of the hay raked in 1944. Animal-drawn rakes were used for more than 90 percent of the raking in the Southeastern and Appalachian States and were used extensively in the Delta States and the Lake States. In contrast, over half of the raking was done with tractor-powered rakes on the Pacific Coast and in Oklahoma and Texas.

Use of machine power for hauling hay at haying time increased about the same as the use of tractor mowers. In 1939 only 15 percent of the crop was hauled to farm storage by machine power compared to 45 percent of the 1944 crop. Buck rakes, both animal drawn and machine powered, moved 22 percent of the 1944 crop at haying time. Nearly a fifth of the crop was moved in tractor-drawn wagons or sleds and an eighth was hauled in motor trucks.

Buck rakes have long been used in the Great Plains and Mountain States for moving hay to stacks, where two-thirds of the 1944 crop was so moved. Their use in eastern areas, where much of the hay is stored in barns and sheds, is a fairly recent development, but, with a relatively short haul along with mechanical equipment for storing the hay, buck rakes afford a low-cost, labor-saving method for handling hay at haying time.

Use of tractor power for hauling hay is more general in the Northeast, Lake States, Corn Belt, Oklahoma, and Texas than in other regions. Also motortrucks were used extensively at haying time in the Northeast, Southwest, and Pacific coast.

About a third of the 1944 crop was loaded on wagons, trucks, sleds, and other vehicles with hay loaders and other mechanical loading devices. Use of these devices was especially widespread in Michigan, Wisconsin, and Iowa, while hand loading predominated in the South and some western States. Although 45 percent of the total 1944 crop was loaded by hand methods, about three-fourths of it was placed in stacks, barns, or

sheds with power forks, slings, stackers, elevators, or blowers.

The marked increase in the baling of hay is an important wartime development; about 27 percent of the 1944 crop was baled compared to less than 15 percent in 1939. This development has come with the rapid adoption of the windrow pick-up baler. Only 2½ percent of the 1939 crop was baled with windrow pick-up balers compared to 14 percent in 1944. Their use was most important in the Southwest, Pacific coast, and Corn Belt though they were reported in all parts of the country. Stationary balers were used on about 13 percent of the 1944 crop and were especially important in the South and Pacific coast.

Over three-fourths of the 1944 crop stored at haying time was stored as loose long hay while only about 2 percent was stored as chopped hay with the balance stored as baled hay.

More than 60 percent of the 1944 crop was stored in barns or sheds at haying time while nearly a third was stored outdoors in stacks or ricks with some of it moved later to barns before being fed. Storing under roof in the Northeast, Michigan, and Wisconsin accounted for about 90 percent or more of the crop, while about 70 percent was stored in stacks in the Great Plains and Mountain States.

Less than 7 percent of the 1944 crop was sold at haying time before storing. Selling hay at haying time was above average in the Southwest and Pacific Coast where much of the crop is baled.

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Stepping Up Farm Safety

EACH year accidents claim half again as many farmers and rural people either killed, permanently disabled, or temporarily injured as the total battlefield toll of World War II—1,700,000 farm people compared to

1,100,000 military personnel. These are the cold figures. And the tragedy is that most if not all of the farm casualties can be prevented. In addition, the annual loss of farm property by fire and lightning averages close to

\$100,000,000. And much of this loss, too, can be prevented.

Because these losses reduce farm output, to say nothing of the unnecessary loss of life and property, every effort needs to be expended to prevent them or at least keep them to a minimum. Stepping up farm safety and thereby preventing waste resulting from accidents is particularly important this year when food is needed so badly by millions of starving people throughout the world. It is for this reason that the third annual Farm Safety Week has special significance this year. President Truman has proclaimed the week of July 21 to 27 as the week when national attention will be focused on the prevention of farm accidents.

The problem of reducing farm accidents and fire losses is difficult but not insurmountable. Farming is one of the most hazardous of all occupations. Farm workers are largely on their own without the aid of safety supervisors to continually warn against unsafe practices. Unlike industry farming does not have elaborate safety devices, nor continuing inspection of equipment and premises, nor as coordinated safety programs. And the traffic hazards on the open highway are just as great for rural people as for those from the city. Hence the most fruitful field for promoting farm safety is education.

Farm safety education must begin in the home, be taught in the schools and kept alive by all agricultural workers who are in touch with farmers. The basic elements of an educational program in farm safety are rooted in recognizing two principal factors: (1) the physical hazards which cause accidents or fires and (2) the faulty human behavior which fails to respond to these hazards, or a hazard, and to inspire him to remove the cause for the hazard. As an elementary illustration, a horse or mule normally well behaved is likely to kick in self defense if suddenly surprised. The

remedy here is to simply give the animal warning before approaching it.

Other causes of accidents may require more effort or even cash outlays to prevent them. One of the major causes of farm accidents and fires, and the one most difficult to control, is the low economic status of many farmers who find it very difficult to provide themselves with adequate safeguards. On the other hand, there are many reasonably well situated farmers who develop careless habits and fail to eliminate hazards or provide needed safety devices. And yet they too frequently excuse their negligence on financial grounds.

For example, one well-to-do farmer recently tied his mowing machine in gear with rope when he was unable to get the necessary repair part. When the machine became clogged and not wanting to take the time to untie and tie it, he simply left it in gear and kicked at the clogged material to free the machine. One time while kicking at the material the team started up and mangled his foot in the blades, necessitating prolonged medical care. Had not his son returned from the armed forces he would have been forced to abandon the rest of his crops for the season.

As new farm machinery becomes available and as rural electrification becomes more widespread, many farmers without previous experience are likely to have accidents while learning to operate the new equipment. Here is a real opportunity for county agents, vocational teachers, home demonstration agents, agricultural engineers, safety specialists, and other farm leaders to impress on these farmers some of the basic safety principles. Manufacturers also have an opportunity to further emphasize needed safe practices in the use of their equipment on the farms.

In the field of farm fire protection much can be done to prevent needless losses. Inspection and repair of chimneys is one of the simple but im-

portant ways to prevent many farm fires. Likewise the safe handling and storage of gasoline and kerosene will prevent many accidents. Maintenance of one or more fire extinguishers on the farm is a good precautionary measure, as is the provision of an adequate water supply.

Considerable progress has been made in recent years to prevent farm fires. The extension of rural electrification has brought more adequate local water supplies. The advance of all-weather roads has facilitated help from neighbors and fire departments. Wider use of the telephone has speeded the reporting of fires. And more fire

departments, both voluntary and local government managed, have been established in rural areas to serve farmers.

But safety practices must be continued the year around. Three nationally sponsored week-long programs, Spring Clean-Up Week coming early in the year; Farm Safety Week coming in Midsummer; and Fire Prevention Week coming in October, anniversary of the great Chicago fire in 1871; serve to emphasize the need for practicing safety on the farm at all times.

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Surplus Property and the Farmer

SURPLUS property disposal promises to offer very little relief to farmers generally in the present shortage of farm machinery and other farm equipment.

Under the amended Surplus Property Act, farmers are not classed as priority holders. They have only a vaguely worded preference in section 2 (e) which states that one of the objectives of the program is to "foster and to render more secure family-type farming as the traditional and desirable pattern of American agriculture."

Section 17 of the act instructs the War Assets Administration further to:

"Devise ways and means and prescribe regulations in cooperation with the War Food Administration (Department of Agriculture) providing for the sale of surplus property in such quantities in rural localities and in such manner as will assure farmers and farmers' cooperative associations equal opportunity with others to purchase surplus property: Provided, however, that in cases where a shortage of trucks, machinery and equipment impairs farm production, a program shall be developed * * * whereby a reasonable portion of the surplus supply will be made available for sale in rural

areas to farmers and farmers' cooperative associations."

Section 2 (e) and section 17, however, are not priorities. And, under the act, priority holders must at all times be given first consideration.

This means that farmers and farmers' cooperatives can buy only after the demands of the following have been satisfied: (1) veterans in certain items for which they have an exclusive right to buy for personal use (2) Federal agencies (3) veterans again in all other items (4) small business buying through the Reconstruction Finance Corporation (5) State and local Governments and (6) nonprofit, tax-exempt institutions.

The priority given veterans to buy for their personal use was authorized under a recent amendment to the act. The amendment instructed the War Assets Administration to establish a "set aside" list of shortage items to which this priority should be applied. And the list includes farm machinery.

Veterans are being given an exclusive right to buy from this list for their personal use. In light of previous veterans' demands it is not believed that many if any of the items on the

list will be left after veterans' orders have been filled.

Lt. Gen. E. B. Gregory, War Assets Administrator, in a recent statement before the Senate special committee investigating the disposal of surplus property, said:

"In discussing farm machinery and trucks, I would like to point out that from our information as to expected surpluses, very little of this type of property may be expected by the farmer. In fact, our records reveal that since October of 1945, only \$1,204,390 worth of new farm machinery has been declared surplus and it is not expected that much more will be declared in the next six months."

He went on to say that the War Assets Administration expected the farmer veterans to absorb practically all of this property under the exclusive method. However, he said other types of surplus equipment suitable for farm use such as that for terracing may be made available from time to time. But he pointed out that large quantities of the more common types of farm machinery are not likely to be available to farmers generally from surplus property.

The limited supply of farm machinery available from surplus is, of course, understandable. The armed services, from which the greater part of surplus is being obtained, were not in the farming business. They bought very little farm machinery and, therefore, have very little to declare.

In connection with the recommendations of Section 17 Regulation No. 3 has been written to carry out the wishes of Congress in this respect. Under this regulation the War Food Administrator certifies as to impairment or threatened impairment of food production in given areas and that orders are then issued for the disposition of trucks, machinery, and equipment needed to prevent the impairment. Under this regulation, approximately 10,000 trucks have been

made available to farmers through dealers located in rural areas.

The War Assets Administration sells through dealers because it is believed wider distribution is obtained through this channel.

It has been the congressional policy many times announced that the disposal agencies should not be forced into the retail business. This policy, in fact, was restated in the report on the recent amendment raising the priorities of veterans.

The announced congressional policy is to foster wide distribution of surplus commodities in such manner as to strengthen and preserve the competitive position of small business concerns and to use the normal channels of trade. Accordingly, consumer type items are sold through the normal channels of trade, that is to levels of trade such as the wholesaler or to the retailer. Actually, this method of disposal probably results in wider distribution to the ultimate consumer than would be possible unless the disposal agencies were put into the retail business.

In addition to regulations, the War Assets Administration has assigned specialists to work exclusively on surplus property as it relates to agriculture. Committees have been formed composed of representatives of the Department of agriculture, War Assets administration, and the major farm organizations. These committees meet to discuss mutual problems and to work out ways and means of channeling surplus property into rural areas.

The War Assets Administration proposes to exert every effort to help the farmers. But, as General Gregory has pointed out, there will be very little surplus goods of interest strictly to farmers and what there is will be very probably claimed by priority holders and especially veterans.

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War Assets Administration

Economic Trends Affecting Agriculture

Year and month	Industrial production (1935-39 = 100) ¹	Income of industrial workers (1935-39 = 100) ²	1910-14=100				Index of prices received by farmers (August 1909-July 1914 = 100)			
			Wholesale prices of all commodities ³	Prices paid by farmers		Farm wage rates ⁴	Livestock and products			
				Commodities	Commodities interest and taxes		Dairy products	Poultry and eggs	Meat animals	All livestock
1910-14 average.....	58	50	100	100	100	100	100	101	101	101
1915-19 average.....	72	90	158	151	150	148	148	154	163	153
1920-24 average.....	75	122	160	161	173	178	159	163	123	142
1925-29 average.....	98	129	143	155	168	179	160	155	148	154
1930-34 average.....	74	78	107	122	135	115	105	94	85	93
1935-39 average.....	100	100	118	125	128	118	119	109	119	117
1940-44 average.....	192	237	139	150	148	212	162	146	171	164
1945 average.....	203	286	154	180	174	350	197	196	210	203
1945										
May.....	225	213	155	180	173	-----	192	179	217	202
June.....	220	311	155	180	173	337	191	189	216	203
July.....	210	297	155	180	173	351	192	197	215	205
August.....	186	269	154	180	173	-----	195	207	212	206
September.....	167	230	154	181	174	-----	197	201	207	203
October.....	162	225	155	182	175	345	199	204	202	202
November.....	168	229	156	182	175	-----	202	218	203	206
December.....	163	233	156	183	176	-----	204	222	204	207
1946										
January.....	160	235	156	184	177	361	203	197	206	204
February.....	153	219	157	185	177	-----	202	168	214	202
March.....	168	238	159	187	180	-----	201	167	219	203
April.....	164	-----	161	188	181	362	199	166	225	205
May.....	-----	-----	-----	192	-----	-----	198	173	226	207

Year and month	Index of prices received by farmers (August 1909-July 1914=100)								Parity ratio ^a	
	Crops							All crops and live-stock		
	Food grains	Feed grains and hay	To-bacco	Cotton	Oil bearing crops	Fruit	Truck crops			All crops
1910-14 average.....	100	101	102	96	98	99	-----	99	100	100
1915-19 average.....	193	164	187	168	187	125	-----	168	162	106
1920-24 average.....	147	126	192	189	149	148	7 143	160	151	86
1925-29 average.....	140	119	172	145	129	141	140	143	149	89
1930-34 average.....	70	76	119	74	72	94	106	86	90	66
1935-39 average.....	94	95	175	83	106	83	102	97	107	84
1940-44 average.....	123	119	245	131	159	133	172	143	154	103
1945 average.....	172	161	366	171	215	220	224	201	202	116
1945										
May.....	172	161	363	165	216	227	193	198	200	116
June.....	173	162	364	169	217	237	269	210	206	119
July.....	169	161	364	171	221	237	244	207	206	119
August.....	167	158	367	172	215	214	240	202	204	118
September.....	167	157	365	175	213	217	159	191	197	113
October.....	175	160	373	180	210	219	181	196	199	114
November.....	178	161	375	182	213	217	235	203	205	117
December.....	178	162	378	184	213	230	223	206	207	118
1946										
January.....	179	164	375	180	213	225	249	207	206	116
February.....	180	166	368	186	212	233	275	213	207	116
March.....	185	171	367	183	208	229	283	215	209	^b 116
April.....	185	171	368	190	210	244	282	220	212	117
May.....	198	188	369	194	214	248	177	215	211	115

¹ Federal Reserve Board; represents output of mining and manufacturing; monthly data adjusted for seasonal variation.

² Computed from data furnished by Bureau of Labor Statistics and Interstate Commerce Commission on pay rolls in mining, manufacturing, and transportation; monthly data adjusted for seasonal variation. Revised May 1946.

³ Bureau of Labor Statistics.

⁴ Monthly data adjusted for seasonal variation.

⁵ Revised.

⁶ Ratio of prices received to prices paid for commodities, interest, and taxes.

⁷ 1924 only.